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FEDERAL RESERVE BANK

OF SAN FRANCISCO
UNIVERSITY OF ILLINOISEDWARD ELLIOTT
ASSISTANT FEDERAL RESERVE AGENT

**GENERAL BUSINESS CONDITIONS
IN THE TWELFTH FEDERAL RESERVE DISTRICT
FOR FEDERAL RESERVE BULLETIN OF
JANUARY 1, 1919**

December 15, 1918.

THE PROSPECTS for excellent crops in the district for the coming year are exceedingly bright. Except in a few sections the rainfall has been ample and far ahead of that of a year ago; pastures are showing great improvement and an unusually large acreage of winter wheat has been sown. General mercantile business is somewhat quiet for this period of the year but not to such an extent as to evidence depression. This condition is due both to a slight but rather general recurrence of the influenza epidemic and to a tendency to mark time awaiting post-war developments. The cancellation of Government contracts has produced some temporary confusion, but the process of readjustment is progressing rapidly and satisfactorily. The labor situation remains without serious disturbance.

Interest rates continue firm at 6 per cent in industrial and 7 per cent in agricultural centers.

November bank clearings for 18 principal cities of this district totaled \$1,177,563,000, an increase of 13 per cent over the corresponding month a year ago, Seattle showing the greatest gain with 47 per cent, followed by Portland with 40 per cent and Tacoma with 36 per cent.

Building permits for the same 18 cities showed a decline of 10 per cent from the total issued during November of last year. There is every evidence, however, that building operations will be resumed as rapidly as Government restrictions are removed.

The California and Arizona cotton crops will approximate 151,000 bales this year, as against a total of 86,000 bales in 1917. The prices paid in these two states for picking averaged \$2.00 per 100 pounds of seed cotton; in other cotton states rates averaged from \$1.57 in Oklahoma to 92 cents in Alabama. In 1896 the average pay in the United States was 44 cents.

The 1917 crop of hops on the Pacific Coast totaled approximately 160,000 bales, while that of 1918 will amount to only about 90,000 bales. This falling off is due to decreased acreage and to the fact that earlier in the season many growers abandoned their yards in the belief that the product would be of little or no value. At that time prices for the 1918 crop were as low as 9 cents per pound; on December 15th they ranged as high as 28 cents. A large proportion of the 1918 yield has been bought by English buyers and is being held with the hope that the English embargo against importation of American hops may be raised.

The deciduous fruit season in California closed on December 1st. Car-load shipments for the year, as compared with 1917, were as follows:

	1918	1917
Cherries	351	295
Apricots	441	403
Peaches	3,137	2,432
Plums	2,483	2,650
Pears	4,569	4,796
Grapes	16,358	13,550
Apples	821	802
Miscellaneous	77	65
Totals.....	28,237	24,993

Ships delivered to the United States Shipping Board from August, 1917, to October 1, 1918, totaled 408, with a combined tonnage of 2,376,362. Of these, 162, aggregating 1,149,685 tons, or nearly one-half of the total, were built on the Pacific Coast. The Atlantic Coast ranked second with 678,000 tons, followed by the Great Lakes, the Gulf Coast and Japan with 461,535, 14,000 and 73,052 tons respectively. Although wood ship-building upon the Pacific Coast has been held up for the time being, the construction of steel vessels is proceeding at the previous high rate of speed.

The ending of the war has as yet had no effect on charter rates, due largely to the fact that all Pacific Coast owned vessels have been chartered at war rates for several months in advance. Another factor aiding in the maintenance of rates at the present high level is the shortage of bottoms. Since the first part of 1913, coastwise and trans-Pacific rates

have averaged a triple increase, while those to Africa and points in Europe have quadrupled. The advance in ocean freight rates is illustrated by that on cotton to Japan, which jumped from approximately \$8.00 per ton in 1913 to from \$50 to \$60 per ton at the present writing.

Petroleum production in California during October averaged 282,433 barrels daily, compared with 276,157 barrels in September. Total stored stocks increased from 36,562,897 barrels on October 1st, to 37,400,859 barrels on November 1st. Daily production during October, 1917, was 271,311 barrels. During the first nine months of 1918 this state produced an average of 24,000,000 gallons a month, while consumption was in excess of that quantity.

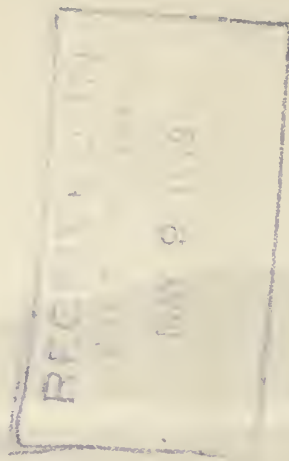
The fish pack of Southern California for the season of 1918 compares with that of last year as follows:

	1918 Pack (Cases)	1917 Pack (Cases)
Tuna	320,000	640,000
Yellowtail	80,000	10,000
Bonita	100,000	3,000
Sardines	575,000	370,000
Totals.....	1,075,000	1,023,000

For several years the United States Bureau of Fisheries has been planting young salmon reared from Pacific Coast eggs in the streams of Massachusetts, and because of the success attending these efforts to establish a run of salmon, the State of Massachusetts has decided to co-operate and is planning to secure 200,000 Chinook eggs from Washington for that purpose. Hatcheries of the State of Washington have taken 60,000,000 Chinook salmon eggs this season and will therefore have no difficulty in supplying this number.

The development of the rice growing industry in California has been rapid and consistent during the past four years. From a total acreage in 1914 of 15,020, the area planted has increased to 83,310 acres in 1917 and 147,000 acres in 1918. This year's yield will approximate 3,750,000 bags of rough rice of 100 pounds each; the 1917 crop amounted to 2,500,000 bags. In spite of the fact that the present embargo upon the importation of Oriental rice will probably not exist in 1919, it is planned to increase greatly the present acreage.

The 1918 crop of walnuts in California has not only been the largest recorded but the quality and the prices received have been the best ever known. It is estimated that from 65,000 acres of groves the growers will market approximately \$9,500,000 worth of nuts.



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THE LIBRARY OF THE
FEDERAL RESERVE BANK
OF SAN FRANCISCO

JOHN PERRIN
UNIVERSITY OF ILLINOIS

GENERAL BUSINESS AND AGRICULTURAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

January 21, 1919.

SHIPBUILDING, the principal industry of the district, is continuing its activity, so far as steel ships are concerned, but there are confusion and uncertainty concerning the future of wooden shipbuilding, the Government not having announced its policy on uncompleted contracts, although all wooden vessels which are two-fifths completed are being finished. In steel shipbuilding the elimination of overtime in many yards is the only slowing down of pre-armistice speed. Crops have been unfavorably affected by weather conditions. In Oregon, California and Idaho there has been a marked deficiency in rainfall, and cold weather has prevented plowing and seeding except in California and Southern Idaho. Grain crops have not yet suffered materially and have been greatly benefited on the Pacific Coast by a recent rain. Frosts in Southern California during the last week in December and the first week in January did considerable damage to the citrus crop. The extent of the loss has not been definitely ascertained, but some estimates have placed it at from 5 to 15 per cent.

During the last part of December labor was fully employed in the industrial centers, but the subsequent rapid demobilization of soldiers and sailors and the abandonment of wooden shipbuilding have resulted in considerable unemployment, which threatens to become serious. Most of the discharged soldiers and sailors are being furnished with employment and many are finding their old places open for them; nevertheless there are many in the vicinity of demobilization camps who for lack of funds or other reasons are not returning to their homes, and employ-

ment bureaus are now finding it increasingly difficult to obtain work for them. Approximately 45,000 shipyard workers in Seattle and Tacoma have struck for higher wages. Conflicting reports have been received from Seattle concerning the number of unemployed other than strikers. Some have placed the number as high as 8,000. There has been, during the past month, a shortage of skilled mechanics in that city, due in part to the fact that most of those who were attracted to the shipbuilding industry by the high wages returned to their former employments when overtime and extra shifts were eliminated. Since the demand for labor in Washington is seasonal there is always a large surplus of unemployed in that state at this time of the year, and the United States Director of Employment is of the opinion that the number of unemployed so far is no greater than in pre-war years. Estimates place the unemployed in Oregon, most of whom are in Portland, at from 7,000 to 10,000, of whom 2,000 to 3,000 are lumber workers, 700 returned soldiers, 400 clerks, and the remainder wooden shipbuilding workers. It is thought that conditions will continue to be serious in that city until April 1, unless the Government and the State provide temporary assistance. The re-establishment of the wooden shipbuilding industry is regarded locally as a practical means for relief. In the Spokane district there are comparatively few men out of employment. The San Francisco Bay district is finding little difficulty in absorbing the extra labor supply. The situation is more serious in Los Angeles and Salt Lake City, the latter being the center of an agricultural and mining district. Government reports show that in Los Angeles and vicinity there are approximately 6,000 unemployed, some of whom are being sent to Arizona, where there is a shortage of workers in some lines, particularly the building trades. Early in January the Soldiers and Sailors Employment Bureau of Salt Lake City held applications from 3,000 men and was experiencing difficulty in securing positions for them.

Wholesale and retail trade have been good. Retailers report that the Christmas shopping was the largest in many years; in some places the largest ever experienced. Collections have been good. Influenza is still a menace throughout the district, but nowhere is it as serious as it was in October and November. Under a compulsory masking ordinance in

San Francisco, figures from the Board of Health show a decrease from 519 new cases and 39 deaths on January 17, when the law became enforceable, to 182 new cases and 22 deaths on January 21.

Interest rates are somewhat lower in the industrial centers, loans to some customers being made at 5½ per cent. The customary rate, however, remains at 6 per cent. In the agricultural centers the rates are firm at 7 and 8 per cent.

Bank clearings for the 19 principal cities of this district totaled \$1,266,195,000 in December, a 6 per cent increase over November and a 27 per cent increase over December, 1917. Compared with December, 1917, Portland shows the principal increase, 68 per cent, and is followed by Seattle, Oakland and Tacoma, with 58, 41 and 35 per cent respectively.

Building permits for 18 principal cities of this district totaled \$3,380,000 in December, 1918, a decrease of \$1,306,000 from the total for December, 1917. This was, however, an increase of \$690,000 over November, 1918. Business failures in this district during 1918 totaled 948, having liabilities aggregating \$15,046,362, and assets \$8,070,538. In 1917 there were 1,309 failures, with total liabilities of \$13,775,704, and assets of \$7,224,104.

The United States Bureau of Crop Estimates fixes the total farm values (based on December 1 prices) of the portion of the 13 principal crops of the United States—corn, wheat, oats, barley, rye, buckwheat, flaxseed, rice, potatoes, sweet potatoes, tame hay, tobacco, and lint cotton—produced by the states of this district in 1918 and 1917, and also the hypothetical values (based upon the ratio of the 13 crops to all crops in the census year 1909) of all crops produced by those states for the same years as follows:

	Value of 13 crops (000 omitted)		Hypothetical value of all crops (000 omitted)	
	1918	1917	1918	1917
Arizona	\$ 30,855	\$ 22,771	\$ 42,267	\$ 31,193
California	171,563	206,575	365,028	439,521
Idaho	89,973	81,081	107,111	96,525
Nevada	16,930	16,889	24,536	24,477
Oregon	83,287	73,457	122,481	108,025
Utah	40,522	38,701	54,759	52,299
Washington	110,909	118,426	135,255	144,422
Totals.....	\$544,039	\$557,900	\$851,437	\$896,462

The following are the estimated amounts and values of the wheat, oats, barley, potato and hay crops of the district for 1918 and 1917:

	Amount (000 omitted)		Value (000 omitted)	
	1918	1917	1918	1917
Wheat (bushels).....	75,812	72,128	\$150,174	\$135,806
Oats (bushels).....	37,857	42,087	36,476	33,758
Barley (bushels).....	48,848	57,194	58,436	67,704
Potatoes (bushels)....	37,734	46,328	40,094	49,962
Hay (tons).....	9,875	12,904	199,479	234,894

According to Government estimates California will produce 100,000 bales of cotton this year, compared with 69,000 bales last year. About 3,300 bales of long-staple or Egyptian cotton will be included in this year's crop. The growers will probably receive \$15,000,000 for lint and \$3,000,000 for seed. Arizona will produce 51,000 bales this year, of which 36,000 bales will be Egyptian. The total crop in 1917 was 23,000 bales. This year's total acreage in Arizona is 86,000, while in 1917 it was 41,000. The estimated value of the entire crop is \$14,000,000, compared with \$6,000,000 last year.

The 1918 wool clip of Oregon, Washington and Southern Idaho showed an increase of 3,816,000 pounds over that of 1917, as indicated by the following figures:

	1918	1917
Oregon (pounds).....	13,500,000	12,200,000
Washington (pounds) ...	5,504,000	4,988,000
Idaho (So.) (pounds)....	19,500,000	17,500,000
Totals.....	38,504,000	34,688,000

Hawaiian canners during 1918 packed approximately 4,000,000 cases of pineapple, an increase of 52 per cent over the 1917 pack of 2,618,768 cases. The largest previous pack was 2,690,000 cases in 1915. The growth of the pineapple industry in Hawaii is well illustrated by the fact that only 2,000 cases were packed in 1903. The demand for pineapple has shown a heavy increase during the past few years. In 1905, when the output was only 10 per cent of the present production, the demand was hardly sufficient to enable the canners to sell at a profit. At the present time the entire pack is sold in advance at prices fixed by the packers.

It is estimated that there are 3,000,000 olive trees in California, one-half of which are bearing, and from which are produced each year approximately 10,000,000 gallons of pickled olives and 800,000 gallons of oil. About 60 per cent of the product goes into oil, each ton making from 35 to 40 gallons. The European ripe olive is said not to have proven a commercial success in the United States, and for that reason California has a monopoly of that product. The United States consumes each month olives and olive oil worth more than \$1,000,000 at present prices. Green olives, though offered in Eastern markets, are practically not seen on this Coast, only ripe olives being eaten.

It is estimated that Oregon and Washington together produced 13,000 barrels of cranberries this year, as against 4,000 barrels in 1917. Of the 1918 crop, approximately 4,000 barrels were grown in Oregon; in 1916, when cranberry growing in Oregon was in its infancy, 2,000 barrels were produced. Government estimates place the total crop of the United States for 1918 at 350,100 barrels; for 1917 at 249,000 barrels.

The following estimates have been made of the value of gold, silver, lead, copper and zinc taken from the mines of the seven states of this district in 1918, as compared with 1917:

	1918	1917
Arizona	\$204,500,000	\$201,700,000
California	32,223,000	37,686,000
Idaho	38,140,000	54,840,000
Nevada	45,000,000	54,424,000
Oregon	2,140,000	2,271,000
Utah	87,600,000	99,600,000
Washington	1,654,000	2,289,000
Totals.....	\$412,257,000	\$452,810,000

The gold produced in the district amounted to approximately \$34,972,000 in 1918, as compared with \$38,259,252 in 1917. Of the 1918 gold production, California is credited with \$17,250,000, Nevada \$6,700,000, Arizona \$5,550,000. Compared with 1917 there was a decrease of \$3,000,000 in California, \$259,000 in Nevada, but an increase of \$481,800 in Arizona.

Silver and copper in the following amounts were produced in the district during the past two years:

SILVER—		1918 (estimated)	1917
Ounces		42,063,000	56,945,860
Value		\$40,679,000	\$37,859,307
COPPER—			
Pounds		1,173,990,000	1,142,290,466
Value		\$290,264,000	\$311,845,297

According to estimates the products of the mines of Alaska in 1918 were valued at \$28,900,000, a decrease of nearly \$12,000,000 from 1917. The total yield of Alaska mines since 1880 has been more than \$419,000,000, of which \$302,000,000 was gold and \$105,800,000 copper. Preliminary estimates place the value of all minerals, both metallic and non-metallic, produced in the State of California during 1918 at \$191,100,000, an increase of \$30,097,038 over 1917. This advance is due principally to the very greatly enhanced prices of all grades of crude oil, coupled with an increase in quantity.

According to estimates of the United States Geological Survey, California produced 101,300,000 barrels of crude petroleum during 1918, practically 30 per cent of the entire output of the United States, as against 93,877,549 barrels in 1917. During November, petroleum production averaged 277,618 barrels per day. Stored stocks on December 1 amounted to 37,711,747 barrels, an increase of 310,888 barrels over the quantity in storage on November 1.

There are now more than 100 shipyards on the Pacific Coast, having actual orders in hand for more than 3,000 ships. Inasmuch as the Shipping Board has announced that it intends to complete the program calling for a total of 20,000,000 tons in our Merchant Marine, continued activity in shipbuilding is promised for the Pacific Coast for some time to come. For the year 1918 Seattle produced 98 ocean-going vessels, having a total deadweight tonnage of 651,200; of these 61 were steel freighters. For the same period Tacoma launched 50 ships, 8 steel and 42 wooden, with an aggregate tonnage of 197,500. In the Portland shipyards 35 steel vessels were built. San Francisco district, which includes

San Francisco, Oakland and Alameda, delivered 34 steel vessels to the Shipping Board in 1918, aggregating 348,563 tons, while the Los Angeles district delivered 14 steel carriers totaling 106,400 tons. In the Southern Pacific District, California, 13 wooden ships were completed, of approximately 45,000 tonnage.

It is estimated that lumber production in Washington and Oregon during 1918 amounted to 7,000,000,000 feet, an increase of 1,000,000,000 feet over the previous year. Following the signing of the armistice there was some reduction in prices where mills found it necessary to dispose of large stocks. The market is now steadier and prices are expected to show an increase. The danger now foreseen in the lumber industry is overproduction. Although lumbermen are not entirely agreed as to future prospects, the outlook on the whole is favorable and labor conditions in the industry are satisfactory.

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*Not to be released for publication until
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FEDERAL RESERVE BANK
OF SAN FRANCISCO

EDWARD ELLIOTT JUN 15 1927
ASSISTANT FEDERAL RESERVE AGENT

UNIVERSITY OF ILLINOIS

GENERAL BUSINESS AND AGRICULTURAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

April 15, 1919

CROP CONDITIONS on the whole continue to be unusually favorable in this district, except in Southern California, where more rain is needed. Deciduous fruit trees have commenced to bloom in practically every section and have escaped serious damage from frosts except in Washington and Oregon, where some injury was done during the first week in April.

Wheat sown in the fall has wintered well. Apparently as a result of the Government's guarantee of the price, the acreage of winter wheat in this district is considerably greater than that of last year. It is estimated that in Washington approximately 1,000,000 acres were sown this season, as against 400,000 acres in 1917-18 and 460,000 acres in 1916-17, and in Idaho approximately 320,000 acres, as compared with 298,000 last year. Reports from Oregon indicate that 812,000 acres were planted in 1918-19, an increase of 162,000 acres over last season's total. In California there is an estimated acreage of 899,000, as compared with 560,000 last season. The United States Bureau of Crop Estimates reports the condition of winter wheat in the states of this district on April 1, 1919 and 1918, in percentages of normal as follows:

	1919	1918		1919	1918
Arizona	97	92	Oregon	98	97
California	100	93	Utah	96	90
Idaho	98	97	Washington	97	93
Nevada	97	100			

During the past thirty days, weather and soil conditions have facilitated the seeding of spring wheat and a considerable acreage has been sown, particularly in the Pacific Northwest. Barley and oats are making a favorable growth. The planting of rice and sugar beets in California is now well advanced, while the planting of beans has been retarded by lack of moisture in Southern California. Cotton planting in Arizona and California is now progressing favorably, although somewhat delayed by stormy weather in March.

Cattle and sheep are in exceptionally good condition, and feed on the ranges is plentiful. The lambing season is practically over, and the increase in the flocks has been satisfactory. Shearing has commenced.

Manufacturing and industry are fair, but increased activity is expected, due to improved labor conditions. On April 4th, 6,000 machinists and

boilermakers, shipyard employees of the San Francisco Bay district, who had been on strike for over two months, returned to work. This enabled 4,000 additional employees to resume work that had been suspended on account of the strike. All shipyard strikes on the Pacific Coast have now been settled, and the shipyards building steel vessels are resuming full activity.

During the past month the number of unemployed throughout the district has been greatly reduced. It is reported that in California there is now a surplus of 12,000 workmen, as compared with 19,600 a month ago. Of these, 4,500 are in San Francisco, 7,000 in Los Angeles and vicinity, and 400 in Oakland. They include 7,300 unskilled laborers, 1,400 agricultural workers, 800 unskilled shipworkers, and 685 clerks. In Oregon there is an estimated surplus of 3,955, against 8,985 on March 1st, of which 1,455 are skilled and 2,500 common or semi-skilled. There is, however, in that state a shortage of farm hands numbering about 250. In Washington the unemployed number 7,000 and include many skilled and semi-skilled workers formerly employed in the shipyards building wooden ships. This is a decrease of 3,000 from the total reported last month. With offers of wages ranging from \$65 to \$75 per month and board and lodging, there is an estimated shortage of from 800 to 1,000 farm laborers in Washington. In Utah labor conditions have improved, but there is still a surplus of 5,000. Estimates from Arizona place the total number of unemployed at 4,000, mostly miners. Idaho reports a shortage of agricultural workers and no unemployed, except a few miners. In Nevada a small surplus is noted.

Reports from a selected group of department stores and wholesale dry goods firms in nine of the largest cities of the Twelfth Federal Reserve District indicate that retail trade is exceedingly active but that wholesalers are experiencing some difficulty in disposing of their stocks. This situation is said to be the result of a desire on the part of retailers to liquidate their stocks and to buy for present needs only. Several retail firms state that their buying policy has remained unchanged during the past two months, others report greater confidence in making future commitments which are for periods ranging in length from two to six months, and some are placing orders for fall delivery, although not in so great a volume as normally. Prices since November have had a downward tendency and the prevailing opinion among wholesalers and retailers is that the next few months will witness further, although gradual, declines. The greatest reductions are being made in staple cotton and woolen goods, although they are still selling at high levels.

Reported sales of retailers during the month of March show an average increase of 20 per cent over the total for the corresponding month a year ago; this increase, however, varies in particular cases from 6.23 to 35.19 per cent. An average increase of 17 per cent has been made since the signing of the armistice but this is said to be seasonal and approximately normal. The reports from wholesale dry goods firms, on the other hand, show that March sales averaged 16 per cent less than those for March, 1918, and a majority report a steady decline in volume since November 11th. Collections have been fair.

Building construction is gradually becoming more active, as is indicated by the following figures, which show the value of building permits

issued in 16 principal cities of the district during the past six months, as compared with the corresponding months of the previous year.

MONTH	Value	Corresponding Month of Previous Year	—Increase or Decrease— Per Cent	
October, 1918.....	\$3,098,000	\$4,543,000	\$1,445,000*	31.8*
November, 1918....	2,688,000	5,103,000	2,415,000*	47.3*
December, 1918....	3,358,000	4,612,000	1,254,000*	27.1*
January, 1919.....	2,840,000	3,696,000	856,000*	23.1*
February, 1919.....	4,849,000	3,584,000	1,265,000	35.2
March, 1919.....	5,988,000	5,289,000	699,000	13.2

* Decrease.

During the four weeks ending March 29th, an average of 123 lumber mills of the Pacific Northwest reported the production of 257,854,511 board feet of lumber, which was 17.5 per cent below normal. This compared favorably, however, with reports for the two previous months, which showed production to be 26 and 62 per cent below normal in February and January, respectively. The demand for yard stock continues good, but the lack of orders for heavier timber is a serious problem. Twenty-four lumber mills of the Pacific Northwest have calculated the cost of production for February at \$25.45 per 1,000 feet, while the average selling price was \$22.65, making a net loss of \$2.80 per 1,000 feet.

Copper mines are being operated very much below normal capacity, due to the decline in prices. The discovery of what is reported to be a rich vein of silver ore in the Tonopah, Nevada, district, has increased mining activity in that territory.

Pacific Coast exports during February showed a decrease of 15.2 per cent from those of February, 1918, and imports a decrease of 8.9 per cent. Detailed figures are as follows:

EXPORTS

(000 omitted)

DISTRICT	Feb., 1919	Feb., 1918	—Increase or Decrease— Per Cent	
San Francisco.....	\$21,650	\$20,308	\$1,342	6.6
Southern California.....	639	1,335	696*	52.1*
Oregon	2,048	771	1,277	165.6
Washington	21,222	31,327	10,105*	32.2*
Total.....	\$45,559	\$53,741	\$8,182*	15.2*

IMPORTS

(000 omitted)

DISTRICT	Feb., 1919	Feb., 1918	—Increase or Decrease— Per Cent	
San Francisco.....	\$13,717	\$17,513	\$3,796*	21.6*
Southern California.....	1,331	1,209	122	10.0
Oregon	111	486	375*	77.1*
Washington	25,304	25,243	61	.2
Total.....	\$40,463	\$44,451	\$3,988*	8.9*

* Decrease.

From the beginning of the season November 1, 1918, to April 6th, shipments of California oranges amounted to 16,750 carloads, as compared with 9,239 carloads during the corresponding period last season. Lemon shipments totaled 3,577 carloads, against 2,539 carloads last year.

Petroleum production in California during February averaged 280,066 barrels daily, as compared with an average of 277,363 barrels during January. Stored stocks increased 371,470 barrels to a total of 32,671,059

barrels on February 28th. In March the average daily production was 278,665 barrels, and stored stocks declined during the month 185,236 barrels, the total on March 31 being 32,485,823 barrels.

Interest rates are firm and stationary. The low rate in the industrial centers ranges from 5 to 5½ per cent, and the customary rate from 5½ to 6 per cent. In the agricultural centers the prevailing low rate is 6 per cent and the customary rate 7 per cent.

Clearings in the 18 principal cities of the district during March amounted to \$1,204,478,000, an increase of 25.7 per cent over March, 1918, in which Portland led with 41 per cent, followed by Oakland and Los Angeles with 40 and 35 per cent respectively.

The increases and decreases in deposits and loans and discounts of National banks in the Reserve cities of this district on March 4, 1919, as compared with the same date, 1918, and December 31, 1918, are shown in the following statement:

DEPOSITS

CITY	(000 omitted)	March 4, 1919	March 4, 1918	Increase or Decrease	
					Per Cent
Los Angeles.....	\$107,323		\$ 96,283	\$11,040	11.4
Oakland	19,503		16,234	3,269	20.1
San Francisco.....	276,787		251,215	25,572	10.1
Portland	76,699		58,423	18,276	31.2
Ogden	9,458		8,136	1,322	16.2
Salt Lake City.....	29,371		26,227	3,144	11.9
Seattle	86,419		71,813	14,606	20.3
Spokane	28,326		29,053	727*	2.5*
Tacoma	14,547		13,133	1,414	10.7
Total.....	\$648,433		\$570,517	\$77,916	13.6

CITY	(000 omitted)	March 4, 1919	Dec. 31, 1918	Increase or Decrease	
					Per Cent
Los Angeles.....	\$107,323		\$104,794	\$ 2,529	2.4
Oakland	19,503		18,233	1,270	6.9
San Francisco.....	276,787		292,843	16,056*	5.4*
Portland	76,699		76,069	630	.8
Ogden	9,458		10,772	1,314*	12.1*
Salt Lake City.....	29,371		31,104	1,733*	5.5*
Seattle	86,419		83,386	3,033	3.6
Spokane	28,326		27,945	381	1.3
Tacoma	14,547		14,210	337	2.3
Total.....	\$648,433		\$659,356	\$10,923*	1.6*

LOANS AND DISCOUNTS

CITY	(000 omitted)	March 4, 1919	March 4, 1918	Increase or Decrease	
					Per Cent
Los Angeles.....	\$ 72,549		\$ 68,643	\$ 3,906	5.6
Oakland	13,688		11,324	2,364	20.8
San Francisco.....	187,481		179,293	8,188	4.5
Portland	44,421		34,537	9,884	28.6
Ogden	5,995		5,593	402	7.1
Salt Lake City.....	18,081		18,151	70*	.3*
Seattle	41,605		36,626	4,979	13.5
Spokane	15,860		17,582	1,722*	9.7*
Tacoma	5,445		6,420	975*	15.1*
Total.....	\$405,125		\$378,169	\$26,956	7.1

CITY	(000 omitted)	March 4, 1919	Dec. 31, 1918	Increase or Decrease	
					Per Cent
Los Angeles.....	\$ 72,549		\$ 70,141	\$ 2,408	3.4
Oakland	13,688		12,608	1,080	8.5
San Francisco.....	187,481		186,246	1,235	.6
Portland	44,421		43,816	605	1.3
Ogden	5,995		6,122	127*	2.0*
Salt Lake City.....	18,081		18,833	752*	3.9*
Seattle	41,605		40,907	698	1.7
Spokane	15,860		16,438	578*	3.5*
Tacoma	5,445		6,098	653*	10.7*
Total.....	\$405,125		\$401,209	\$ 3,916	.9

* Decrease.

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FEDERAL RESERVE BANK
OF SAN FRANCISCO

JUN 15 1927

JOHN PERRIN
CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

UNIVERSITY OF ILLINOIS

GENERAL BUSINESS AND AGRICULTURAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

May 15, 1919

AGRICULTURAL PROSPECTS have suffered somewhat from lack of moisture during the past month. Throughout the district as a whole, however, winter and spring wheat, barley, oats and rye made satisfactory advancement and are in good condition. Rain has been needed in practically all sections, particularly in the southern portions of California and Utah, but there is a good supply of water in all irrigated districts. Deciduous fruit crops are progressing favorably except in some localities in the Pacific Northwest, where prunes, apples and cherries were considerably damaged by frost. The apricot crop in many sections of California will not average over 50 per cent of normal. The navel orange crop has been picked and some Valencias are now being harvested. The Valencias are of good size and quality and show less frost damage than the navels. Lemon picking continues and an unusually heavy crop will be shipped in spite of considerable loss from frost.

Dry weather has been favorable for alfalfa hay in Arizona and California where the first crop has been cut. In Utah and Nevada the alfalfa and clover crops have advanced rapidly. On the ranges there is ample feed in practically all sections, except in parts of Nevada, Oregon and Idaho, where rain is needed. Livestock, generally, is in good condition. Preliminary reports from the principal centers indicate that the number of calves and lambs for the season will be from 10 to 20 per cent greater than last year. Shearing is general in Washington and Oregon, is well advanced in California, and is nearly completed in Utah and Nevada. The wool is on the whole better in quality and greater in quantity, due to mild winter conditions.

Manufacturing and industry have been active in most of the centers of the district. Wholesale and retail trade are good and collections vary from good to fair. Much uncertainty as to the future of shipbuilding, the principal industry of this district, has arisen from rumors of contemplated cancellations of contracts by the Government. This, however, has not retarded current production. It has been reported that the Government is to allow the yards to take contracts to build ships for foreign governments and this is expected to increase shipbuilding activity on this coast.

Labor is now almost fully employed in all sections of the district except Utah and there is an increasing shortage of farm laborers and skilled mechanics in the shipyards. Returning soldiers and sailors are being placed without delay. Latest reports from Washington show that although the supply of farm labor now equals the demand a shortage is expected within the next few weeks. In the lumber camps supply and demand are equal. Carpenters, plasterers and other building trades workers are on strike in Seattle for a five day week at \$7.50 per day for carpenters and \$10.00 per day for plasterers. In Oregon there is practically no unemployment, and none is expected during the summer. Farm laborers are scarce in some districts. Road work and other public improvements have absorbed most of the surplus of laborers reported last month. In California there is a total surplus of about 7,000, compared with 12,000 last month. This number is rapidly diminishing on account of a brisk demand for farm help and increasing activity in the building trades.

The number of unemployed in Utah is 5,000, practically the same as last month. The number of men taken for farm work has been offset by returning soldiers and sailors. There have been some strikes for higher wages by miners, building trades workers and bakers. Reports from Arizona show that all workers are employed with the exception of a few laborers in mining camps. There is, however, a shortage of skilled workmen in mines, mills and smelters. In Nevada and Idaho opportunities for full employment are good; in most cases the demand exceeds the supply.

The United States Bureau of Crop Estimates reports the farm labor supply and demand on April 1, 1919 and 1918, in the seven states of this district as compared with the whole United States, as follows:

STATE—	Farm Labor Supply Per Cent of Normal		Farm Labor Demand Per Cent of Normal		Per Cent of Supply to Demand	
	1919	1918	1919	1918	1919	1918
Arizona	90	74	105	100	86	74
California	93	80	103	103	90	78
Idaho	88	70	100	95	88	74
Nevada	90	75	102	98	88	77
Oregon	88	76	100	100	88	76
Utah	96	75	105	98	91	77
Washington	86	75	102	98	84	77
Total.....	90.1	75.0	102.4	98.8	87.8	76.1
United States.....	84.4	72.9	101.8	101.4	82.9	71.9

The lumber industry of the Pacific Northwest is showing continued improvement and the demand for yard stock is brisk. A recent order from the United States Railway Administration for 3,500,000 ties aggregating 140,000,000 board feet has furnished a market for those concerns handling the better class of timber. The shingle market is fairly good, with stocks low and demand improving. The export trade in lumber is still severely handicapped by the scarcity of ships and high rates.

For the month ending May 3rd, 123 lumber mills of the Pacific Northwest produced 273,817,736 board feet, which was 14.71 per cent below normal. Orders averaged 29.72 per cent above production and shipments 20.06 per cent below orders. Production during January was 62 per cent below normal and during February and March 26 and 17.5 per cent, respectively. The 1918 lumber production of California mills amounted

to 1,277,084,000 board feet, a decrease of 139,752,000 board feet from the total for 1917.

Building construction in this district continues to show increased activity. Permits aggregating \$8,150,041 were issued in 19 principal cities during April, an increase of 31.3 per cent over March, and of 47.3 per cent over April, 1918. The number of permits totaled 6,164 in April, as compared with 5,205 in March.

Commercial failures in the seven states of this district during April numbered 43, or 51.68 per cent less than those reported in April, 1918, and total liabilities amounted to \$229,875, or 90.1 per cent less than a year ago. Figures for each state, as compiled by Bradstreet's, follow:

	April, 1919			April, 1918		
	Number	Assets	Liabilities	Number	Assets	Liabilities
Arizona	2	\$ 800	\$ 8,525	11	\$242,560	\$ 67,100
California	20	54,375	128,677	48	811,200	776,384
Idaho	None	.....	.....	5	3,500	13,200
Nevada	None	.....	.....	3	28,100	27,347
Oregon	4	8,000	13,420	5	5,200	1,367,600
Utah	5	41,600	61,550	8	8,000	20,100
Washington	12	125,100	217,226	9	27,650	52,446
Total.....	43	\$229,875	\$429,398	89	\$1,126,210	\$2,324,177

Interest rates continue firm and stationary, the customary rate in industrial centers ranging from 5½ to 6 per cent. In the agricultural centers it is 7 per cent.

Bank clearings in 19 principal cities of the district amounted to \$1,185,962,000 in April, an increase of 18.3 per cent over the total for April, 1918. Total clearings for March were 25.7 per cent greater than in March, 1918. The April total was 1.5 per cent below the total for March. The principal increases by cities during April, 1919, were Los Angeles 35.5 per cent, Oakland 34.3 per cent and Portland 24.8 per cent.

The following figures secured from the United States Shipping Board show that there are now 64.7 per cent more wooden and steel ships under construction on ways and in water in Pacific Coast shipyards than in May, 1918, and that their aggregate tonnage is 54 per cent greater.

SOUTHERN PACIFIC DISTRICT (California and Southern Oregon)—		May, 1919		May, 1918		Increase	
		No.	Tonnage	No.	Tonnage	No.	Tonnage
Steel (May 12th).....	82	744,750	38	344,561	44	400,189	
Wood (May 12th).....	30	105,000	28	98,000	2	7,000	
NORTHERN PACIFIC DISTRICT (Washington and Northern Oregon)—							
Steel (May 1st).....	77	672,500	45	369,900	32	302,600	
Wood (May 1st).....	208	775,840	130	675,875	78	99,965	
Total PACIFIC COAST.....	397	2,298,090	241	1,488,336	156	809,754	

Cotton prospects in Arizona are reported to be excellent and preliminary estimates place the total acreage for the state at 110,000, compared with 92,000 acres last year, and 41,000 acres two years ago. The acreage of Egyptian or long staple is approximately 90,000, compared with 72,000 last year, when 36,000 bales were produced. On account of favorable weather conditions the crop in the Imperial Valley, California, is now fully a month ahead of the 1918 season. The acreage of what is

termed the California crop is estimated as follows: San Joaquin Valley, 12,000; Palo Verde Valley, 16,000; Imperial Valley, California, 45,000; Imperial Valley, Mexico (marketed through Calexico, California), 100,000, making a total of 173,000 acres, practically the same as last year.

The cantaloupe acreage in California and Arizona in 1918 amounted to 42 per cent of the total in the United States, and it is estimated that in 1919 it will approximate 43 per cent. Detailed comparative figures for these two states and for the United States follow:

	1919	1918	Percentage Increase
California	21,867	15,600	39
Arizona	4,560	2,300	98
United States (total)	60,233	42,370	42

The acreage in the Imperial Valley in Southern California, where most of the state's cantaloupes are raised, will this year approximate 14,000, as compared with 10,800 last year.

Pacific Coast exports during March were 52.3 per cent greater than during February, and showed an increase of 42.5 per cent over March, 1918. Imports increased 5.1 per cent over the total for February but were 20.9 per cent less than those for March, 1918. Detailed figures are as follows:

EXPORTS

DISTRICT—	March, 1919	February, 1919	March, 1918
San Francisco.....	\$23,727,000	\$21,650,000	\$15,097,000
Southern California.....	1,032,000	639,000	358,000
Oregon	2,336,000	2,048,000	2,321,000
Washington	42,316,000	21,222,000	30,350,000
Total.....	\$69,411,000	\$45,559,000	\$48,126,000

IMPORTS

DISTRICT—	March, 1919	February, 1919	March, 1918
San Francisco.....	\$17,263,000	\$13,717,000	\$26,601,000
Southern California.....	2,023,000	1,331,000	398,000
Oregon	112,000	111,000	183,000
Washington	23,060,000	25,304,000	26,525,000
Total.....	\$42,458,000	\$40,463,000	\$53,707,000

Exports from the Oregon district consisted almost entirely of flour and lumber, and imports of Oriental, household and miscellaneous goods. The principal item of export from the Washington district was railway material bound for Russia, it having been held in Seattle since the fall of the Kerensky government. Imports into the Washington district were largely raw silks and vegetable oils.

Petroleum was produced in California during April at an average rate of 279,154 barrels per day, while daily shipments averaged 277,244 barrels. Stored stocks on April 30 were but 57,322 barrels greater than on March 31. A comparison of petroleum figures for April, 1919, 1918 and 1917 follows:

	Average daily production (bbls.)	Average daily shipments (bbls.)	Stored stocks April 30 (bbls.)
April, 1919.....	279,154	277,244	32,543,145
April, 1918.....	276,471	287,423	30,502,447
April, 1917.....	269,085	309,001	39,976,386

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JUN 15 1927

FEDERAL RESERVE BANK
OF SAN FRANCISCO

JOHN PERRIN
CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

**GENERAL BUSINESS AND AGRICULTURAL CONDITIONS
IN THE TWELFTH FEDERAL RESERVE DISTRICT**

July 15, 1919

DURING the past month both wholesale and retail trade throughout the district have been very good, industry has been active and prospects for large crops have continued, in most cases, in accordance with earlier estimates. At Pacific ports there has been a marked increase in imports and decrease in exports, with little change in the total volume. Charter rates are very firm and steamers are being booked weeks in advance. A serious shortage is anticipated for late summer and fall tonnage.

Business is rapidly adjusting itself to high prices and collections are good. Anticipation of substantial returns from agricultural products is stimulating freer buying for fall and winter deliveries. Some sections report sensational improvement in wholesale and retail trade, with activity exceeding that of the pre-war period.

Industry is generally active under lower pressure than during the war period and is expanding in some lines. There is practically no change in shipbuilding. No new contracts are being let and the outcome of negotiations for the restoration of cancelled contracts or for freedom in open construction for foreign account is anxiously awaited. Seattle and Portland yards building steel ships are working steadily, though at reduced speed, and have enough contracts to keep the plants running for the rest of the year. In the San Francisco district the yards are being operated at about 40 per cent below capacity and final deliveries on Government contracts are booked to the middle of 1920. Deliveries of steel ships during June are reported: Seattle 11, San Francisco 6, Portland 5, Tacoma 3.

Advancing prices are stimulating the production of copper and silver in Utah, Arizona, and Nevada. The production of gold and lead is lagging.

Full employment for labor is reported from all parts of the district, and, with the exception of strikes by the telephone operators and electrical workers of California, the coppersmiths in San Francisco, and some shipyard workers in Los Angeles, conditions are normal and settled.

The harvesting of winter wheat is progressing rapidly in Oregon, Washington, Idaho and California. The crop is generally good except

in Eastern Washington and Oregon, where there has been some curtailment on account of drought. The spring wheat crop suffered materially in practically all states of the district. Lack of moisture has been somewhat offset by cool weather in Oregon and Washington, but high temperatures and drying winds have practically destroyed the dry farm crops in Utah and Idaho.

The following figures compiled by the United States Bureau of Crop Estimates show the estimated production of spring and winter wheat for the four principal wheat producing states of this district in June and July as compared with the 1918 crop:

	July Estimate of Production (bushels)	June Estimate of Production (bushels)	1918 Crop
Washington	50,252,000	57,775,000	26,429,175
Oregon	21,000,000	23,641,000	18,654,000
Idaho	18,069,000	23,253,000	17,940,000
California	13,916,000	14,400,200	7,590,000
	<u>103,237,000</u>	<u>119,069,200</u>	<u>70,613,175</u>

The barley crop in California is short in quantity and inferior in quality, and is estimated at 500,000 tons compared with 650,000 tons in 1918. Prices are high, above \$3.00 per bushel. According to Government estimates the oats crop in Oregon will total 13,700,000 bushels this year compared with 9,025,000 bushels last year, and in California 5,712,000 bushels as against 5,600,000 bushels last year.

Approximately 415,000 acres have been planted to beans in California compared with 597,000 last season. Lima beans are reported 50 per cent of normal and other beans 82 per cent. Reports as to the acreage of California rice vary, it being estimated that the total will be from 20 per cent to 40 per cent greater than in 1918, when it was 108,000 acres.

Stock ranges in Utah and Arizona were materially improved in the higher areas by recent rains. The condition of cattle varies from good to excellent and sheep are in fair condition. The decline in the price of beef has been a reflex of the Chicago market and has not been influenced by local conditions. On account of improved range conditions this year, the wool crop has been heavier and better in quality than during the past few seasons. Prices have ranged from 45c to 55c per pound.

Weather conditions have been particularly favorable for maturing most deciduous fruits. Earlier reports of a very heavy apple crop in Oregon and Washington are not borne out by recent returns though the crop will be larger than last year and of good quality. The outlook for peaches, table grapes, and raisins in California is very good. A bumper crop of berries is assured in all sections. The canteloupe crop has been excellent in quality, and shipments from Arizona and Southern California will exceed last year's crop of 5,595 cars by about 70 per cent. The entire 1919 pack of Hawaiian pineapple was promptly taken off the market at opening prices; subsequent bids of 100 per cent premium have been reported. The June drop of citrus fruit in Central and Southern California is reported as lessening, but no estimates are available as to the extent of the loss. Valencia oranges are now being picked and a large yield of fine quality is reported. The condition of the lemon crop is 89 per cent of normal as compared with 90 per cent for 1918.

The Southern California Walnut crop is estimated at 25,000 tons, an increase of 20 per cent over last year. A large crop of figs is reported,

The prune crop in Idaho has been materially reduced by frost and estimates of the crop there vary from 15,000 to 20,000 tons. A similar yield is reported for Oregon, where 40 per cent of the crop was lost in the June drop. In California the crop is developing under very favorable conditions and prices, varying according to size, have now been fixed on a basis of 13½ cents per pound, with premiums up to 22 cents for larger sizes. The crop is estimated at 300,000,000 pounds. The following figures covering the California dried prune and apricot crops since 1911 have been submitted by the California Prune and Apricot Growers' Association:

Year	PRUNES		APRICOTS	
	Yield	Exported	Yield	Exported
1911	190,000,000	74,328,000	.....	13,413,000
1912	205,000,000	117,950,000	.....	35,016,000
1913	96,000,000	69,813,000	21,000,000	17,401,000
1914	112,000,000	43,478,000	41,000,000	23,764,000
1915	185,000,000	57,422,000	39,000,000	23,939,000
1916	157,000,000	59,645,000	22,000,000	9,841,000
1917	218,000,000	32,926,000	31,000,000	5,175,000
1918	70,000,000	.....	29,000,000	.....
1919	300,000,000	.....	25,000,000	.....

Unprecedented prices, as high as \$160 per ton, are being offered by canners for fresh apricots in California which, though undersized, are of excellent quality. The effect of such high prices lends uncertainty to any estimate of the amount to be dried. The most reliable estimates place the crop at 25,000,000 pounds. Orders have already been placed covering the entire crop at prices ranging from 19 to 33 cents per pound for the dried fruit.

The present condition of the California raisin crop is excellent and estimates place total production at 200,000 tons compared with 167,000 tons last season. Opening prices have not been named by the California Associated Raisin Company, but practically three-fourths of the entire crop has been contracted for at prices to be named later. The following figures submitted by the California Associated Raisin Company show the yield and price annually since 1913:

Year	Yield, Tons	Price
1913	70,000	\$69.30
1914	98,000	66.30
1915	130,000	72.72
1916	132,000	84.18
1917	163,000	97.04
1918	167,000	110.00*
1919	200,000*	.....

* Estimated.

Arizona will surpass her record cotton crop of last year according to Government reports. The total area planted is 115,000 acres, 15,000 acres more than last year. The forecast is for 64,000 bales as compared with 56,000 bales for 1918. The present condition is 93 per cent of normal. The same authority reports the California crop in excellent condition—99 per cent of normal. While the estimated acreage of 169,000 acres for 1919 is 23,000 under that of 1918, the estimated yield is 114,000 bales as compared with 97,700 bales last season.

This year's crop of hops on the Pacific Coast is developing under

favorable conditions and present estimates place the total yield at 160,000 bales as compared with 90,000 in 1918, and a five-year average of about 310,000 bales. Approximately 85 per cent of the 1919 crop has been contracted for at 50 cents per pound. The market is practically clear of former crops.

Strong demand prevails in the lumber market on the Pacific Coast. The principal foreign shipments have been made to the West Coast of South America, Australia, and the United Kingdom. Orders exceed production and mills are working on a selective order basis. During the half year just ended it is reported that orders exceeded production by 250,000,000 feet, new business exceeded shipments by 155,000,000 feet, and shipments exceeded production by 100,000,000 feet. For the five weeks ended July 5, an average of 122 mills in the Pacific Northwest produced 350,848,000 feet, which was about 15½ per cent less than normal, and shipments were 11½ per cent over production. The depletion of stocks thus indicated will be further extended by the mid-summer shut down for repairs, which will be longer than usual due to depreciation on account of the rush of war production. On July 5 there was a balance of unshipped rail orders amounting to 10,062 cars and of unshipped cargo orders totaling 123,515,000 feet.

The value of building permits issued in the 19 principal cities of the district during June was \$9,856,246 or 82 per cent greater than for the corresponding month in 1918, and 3 per cent greater than for the preceding month, May, 1919. Of this total amount \$8,489,025 was for new construction and \$1,367,221 for repairs.

Petroleum production in California during June averaged 281,629 barrels daily, as compared with 276,031 during May. Stored stocks increased 387,280 barrels during the month to a total of 33,496,897 barrels.

Exports from Oregon and Washington districts consisted principally of flour, tobacco, iron and steel, railroad material, and lumber. From all Pacific Coast ports exports for May totaled \$37,970,000; 32 per cent less than in April, 1919, and 26 per cent less than in May, 1918. The principal items of imports were copra, cocoanut oil, beans, tea, and grain bags, and totaled for the entire coast \$43,645,000, being 55 per cent greater than for April, 1919, and 14 per cent less than for May, 1918.

Business failures in June, as reported by Bradstreet's, in the seven states of the district numbered 49 as compared with 44 for the previous month and 89 for June, 1918. Total liabilities were \$526,632 compared with \$900,582 for May, 1919, and \$1,034,217 for June, 1918.

Interest rates continue to be firm with a slight upward tendency. In industrial centers there is no material change in the prevailing rate, which varies from 5½ to 6 per cent. The prevailing rate for agricultural loans is 8 per cent.

Bank clearings in nineteen principal cities of the district during June were 20.5 per cent greater than in June, 1918, Los Angeles leading with an increase of 49.7 per cent, followed by Oakland, Salt Lake City, and Portland with 45.5, 26.5, and 24.7 per cent respectively. The total clearings for June showed a decline of .9 per cent from that for the preceding month, May, 1919.



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JUN 15 1927
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OF SAN FRANCISCO
UNIVERSITY OF ILLINOIS

JOHN PERRIN
CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

GENERAL BUSINESS AND AGRICULTURAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

August 15, 1919.

THE ratio of United States war securities and war paper to their total loans and investments, and the rates of decrease in their holdings between May 2, 1919, and August 1, 1919, as reported by representative banks in the leading cities of the Twelfth Federal Reserve District and of the entire country, are given in the following table:

Banks	District	Date	Holdings	Per cent of Holdings to Loans and Investments	Rate of Decrease
54	Twelfth	May 2, 1919	\$176,497,000	24.1	
53	Twelfth	Aug. 1, 1919	115,096,000	16	
	Decrease		61,401,000	8.1	34.8
768	U. S.	May 2, 1919	4,083,193,000	27.8	
771	U. S.	Aug. 1, 1919	3,456,692,000	23.5	
	Decrease		626,501,000	4.3	15.3

Returns from the sale of agricultural products at record prices and increased returns from industry are reflected in an increase during the last fiscal year, of \$304,091,000 in deposits in the Twelfth District. On June 30, 1919, the total banking resources of the district, as shown by the tabulation hereinafter given, were \$3,148,696,000, of which \$1,473,195,000 were in National banks and \$1,675,501,000 in State banks, an increase for the fiscal year of 14.3 per cent and 7.9 per cent, respectively.

The harvesting of grain is practically completed in the southern part of the district, but in full swing in the northern part, so far under favorable weather conditions. More recent information indicates that less damage to grain on the whole has resulted from the unfavorable conditions reported last month than was anticipated, although there are admittedly serious losses in Utah and the dry-farm areas of southern Idaho.

The growth of rice has been somewhat retarded, but not injured, by cool weather. Preliminary estimates of this year's crop in California vary from 3,825,000 bags of 100 pounds each to 5,000,000 bags, as compared with 3,155,000 bags in 1918. The anticipated shortage of rice in the export centers of the Orient is stiffening prices and the new crop is expected to open at about \$6 per cwt. for paddy rice. The cotton crop in Arizona and Southern California is beginning to mature under conditions generally favorable, though rains in the Salt River Valley have induced too rank a growth. The estimated Pacific Coast hop crop of

160,000 bales will be somewhat exceeded if the damage by lice, apparent in some sections of California, does not become more serious.

Later reports confirm previous estimates of a record production of walnuts, almonds, raisins and prunes. In Oregon and Idaho prunes are dropping badly, but the California crop will probably exceed previous estimates. The California crop of dried peaches is estimated at 35,000 tons, as compared with 20,000 tons for 1918. Orders now in the hands of the California Peach Growers' Association will exceed the total production and are being prorated. Prices range from 14½ cents to 20½ cents per pound, with a premium of 2 cents for peeled stock. The crop of navel oranges and lemons apparently will not exceed that of 1918. The condition of thirty unharvested California crops on August 1, expressed in a percentage of their eight- and ten-year average, was 98.3 per cent as reported by the Government Bureau of Crop Estimates.

A heavy crop of hay is being cut in Oregon and Washington and a very light one in Utah. The fourth cutting of alfalfa is in progress in California, and the second and third cuttings have been made in other states with generally favorable results. Further cuttings in parts of California, Idaho and Utah will be seriously curtailed by a shortage of irrigation water. Ranges have been materially improved in Arizona, Utah and parts of Nevada by summer rains. Arizona reports better range feed than for years past. The necessity for removing stock to distant ranges is reported from a few sections only.

Livestock throughout the district is reported in good to excellent condition, the market is fairly active under a lower range of prices, and the banks are reported to be able to extend the necessary credit to prevent the forcing of stock on the market. Figures are not yet available for this year's clip of wool, but incomplete reports indicate a yield slightly in excess of 1918.

The gathering of deciduous fruits, with the exception of prunes and apples, is at its height throughout the entire district. Pears are of excellent quality, but peaches a little under normal, both as to size and quality. The apple crop shows a marked increase over that of 1918 and the quality is unusually good. The following table, compiled from various sources, gives estimated yields of the three crops compared with 1918:

	APPLES		PEACHES		PEARS	
	1919	1918	1919	1918	1919	1918
	(Bushels)		(Bushels)		(Bushels)	
Arizona	57,000	45,000	.....	.....	.....	.....
California	7,591,000	6,500,000	16,060,000	11,663,000	4,000,000	3,814,000
Idaho	2,958,000	336,000	180,000	42,000	.....	.....
Oregon	3,936,000	2,013,000	173,000	31,000	575,000	406,000
Utah	408,000	489,000	892,000	735,000	51,000	.....
Washington	14,625,000	13,838,000	1,350,000	402,000	1,560,000	1,300,000
Total	29,575,000	23,221,000	18,655,000	12,873,000	6,186,000	5,520,000

A large crop of table grapes is moving to ready markets. Two hundred and ninety-two cars had been shipped from California up to August 5, as compared with 196½ on the same date in 1918. Hot summer weather, following a dry winter, has largely resulted in a very spotted crop of olives in California, which is not expected to exceed 65 per cent of the 1918 crop.

Although this season of the year is normally a period of inactivity,

trade, both wholesale and retail, is very active. In many cases it has been difficult, if not impossible, to replenish stocks. A decreasing volume of credit business is reported and collections are satisfactory. The investment market is active, and approved securities are being rapidly absorbed. Industry, with minor exceptions, shows more than normal activity, extensive building operations are developing, and fruit canneries are running to the limit of capacity. The prorating of the electric power needed by California industries is not improbable if rains before October do not provide the water necessary for its development. Supplementary steam plants are now operating at capacity in order to conserve the water supply, and all power companies, in both the northern and southern districts, are now inter-connected.

Contracts for six steel ships of 6,000 tons each are reported as having been placed with Portland shipbuilders for foreign account, and six of 4,000 tons each with Seattle builders. Several Government contracts are reported to have been reinstated with Seattle companies. Pacific Coast yards are running at full capacity, with the exception of Los Angeles, where labor conditions are improved but not settled. The United States Shipping Board reports deliveries during the month of July of vessels of a total dead weight tonnage of 248,362 tons, as follows: Seattle, steel 9, wood 7; Portland, steel 6, wood 10; San Francisco, steel, 5, wood 3, all of which vessels have been cleared for their maiden voyages.

There is a pressing demand for lumber, and mills are working under heavily increased costs of production. Prices have increased from \$4 to \$6 per thousand. In Washington and Oregon an average of 122 mills shows a production during the four weeks ended August 2 of 307,116,167 feet, as against a normal production of 343,502,828 feet. Yard stocks, already very low, have been further depleted by shipments above actual production of 30,498,850 feet. On August 2 there was a balance of unshipped rail orders of 10,113 cars and of unshipped cargo orders of 117,534,459 feet.

Labor conditions on the whole are fairly settled in the district. A feeling of unrest is manifested in portions of western Washington only. The strike of railroad shopmen has not materialized to any appreciable extent. Arizona is free from strikes and other labor troubles, although there is a shortage of skilled craftsmen and miners, and an anticipated shortage of 8,000 to 10,000 cotton pickers. The Government has suspended the operation of the immigration laws and provided for the free passage of Mexican laborers into the United States until January 1, in an effort to provide workers for the cotton fields. In Oregon and Utah the supply of labor is sufficient to meet most demands. In Nevada there is a reported shortage of all classes of unskilled labor and a few strikes in mining camps. Nearly every section of Idaho is short of labor, and building and highway construction are seriously handicapped. Eastern Washington reports a shortage of machinists, boilermakers and railroad shopmen, and a limited call for labor in lumber camps and for highway construction. The situation is fairly satisfactory in the western part of the state, where there is a moderate shortage of lumbermen and a few strikes. A small shortage of shipyard workers exists in California, and the demand for common laborers considerably exceeds the supply,

due largely to harvest requirements, except in Los Angeles, where there is a considerable excess of common white and Mexican laborers.

Business failures during July, as reported by Bradstreet's, numbered 50, as compared with 49 for the previous month and 86 for July, 1918. Total liabilities involved were \$561,106, as compared with \$526,662 for the previous month and \$2,695,632 for July, 1918.

Building permits in nineteen principal cities of the district during July amounted to \$10,738,000, an increase of 8.9 per cent over June, 1919, and an increase of 113.6 per cent over the total for July, 1918.

Daily production of petroleum in California during July averaged 280,313 barrels, as compared with 281,629 during June. Stored stocks on July 31 amounted to 33,850,819 barrels, an increase of 353,922 barrels for the month. During the year 1918 the production of petroleum increased by over 4,000,000 barrels, valued at approximately \$40,483,000.

There is no change in the prevailing interest rate in industrial centers, which varies from 5½ to 6 per cent. The prevailing rate for agricultural loans continues at 8 per cent.

Bank clearings in the nineteen principal cities of the district during July were 9.8 per cent greater than for the previous month, and 23.52 per cent greater than in July, 1918. Los Angeles showed an increase over June, 1919, of 17.01 per cent, San Francisco 14.69 per cent, Seattle 3.94 per cent, Spokane 3.94 per cent, Salt Lake City 3.50 per cent, and Portland 1.82 per cent.

**Summary of Called Report of June 30, 1919,
From National and State Banks of the Twelfth Federal Reserve District
Compared with Similar Report of June 29, 1918.**

NATIONAL BANKS				
States	Capital, Surplus, Undivided Profits	Loans, Including Rediscounts	Deposits, Excluding Due to Banks	Total Resources
*Arizona	\$1,709,000	\$7,447,000	\$12,082,000	\$15,325,000
California	114,023,000	456,672,000	547,214,000	896,297,000
Idaho	7,176,000	38,526,000	48,266,000	69,369,000
Nevada	2,113,000	8,076,000	11,791,000	17,194,000
Oregon	17,877,000	87,942,000	125,805,000	168,425,000
Utah	6,185,000	32,076,000	37,345,000	63,954,000
Washington	20,521,000	114,081,000	175,219,000	242,631,000
Total, 6-30-19	\$169,604,000	\$744,820,000	\$957,722,000	\$1,473,195,000
Total, 6-29-18	158,665,000	704,361,000	828,323,000	1,288,346,000
<i>Increase</i>	\$10,939,000	\$40,459,000	\$129,399,000	\$184,849,000
STATE BANKS				
†Arizona	\$6,132,000	\$20,092,000	\$26,939,000	\$53,329,000
California	117,389,000	610,464,000	969,190,000	1,132,110,000
Idaho	6,334,000	36,695,000	43,029,000	57,030,000
Nevada	1,395,000	13,612,000	20,109,000	22,032,000
Oregon	14,300,000	59,375,000	91,524,000	109,459,000
Utah	11,406,000	57,733,000	62,739,000	92,122,000
Washington	22,834,000	114,371,000	174,774,000	209,419,000
Total, 6-30-19	\$179,790,000	\$912,342,000	\$1,388,304,000	\$1,675,501,000
Total, 6-29-18	173,651,000	873,394,000	1,213,612,000	1,551,761,000
<i>Increase</i>	\$6,139,000	\$38,948,000	\$174,692,000	\$123,740,000
Total, 6-30-19, National and State.....	\$349,394,000	\$1,657,162,000	\$2,346,026,000	\$3,148,696,000
Total, 6-29-18, National and State.....	332,316,000	1,577,755,000	2,041,935,000	2,840,107,000
<i>Total increase</i>	\$17,078,000	\$79,407,000	\$304,091,000	\$308,589,000

* Excluding that part of the state embraced in the Eleventh Federal Reserve District.

† Including all of the state.

 Not to be released for publication until
the afternoon of **September 25, 1919**

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OF SAN FRANCISCO

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JOHN PERRIN
CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

JUN 15 1927

**GENERAL BUSINESS AND AGRICULTURAL CONDITIONS
IN THE TWELFTH FEDERAL RESERVE DISTRICT**

September 15, 1919.

BUSINESS CONDITIONS in the Twelfth District during the past month have been characterized by activity in manufacturing, and increasing activity in nearly every line of wholesale and retail trade. Retailers report a considerable increase in the value of sales over the previous month, and an increase of from 20 to 30 per cent over the same period in 1918, while wholesalers report insufficient stock to meet demands in several lines. Collections are exceptionally good. However, some hesitancy is reported in the placing of orders for future delivery for fear that the failure to provide the necessary credits in this country for foreign buying may bring about a resale in domestic trade of goods originally contracted for export.

The demand for building materials is strong. It is estimated that building projects in California alone will require cement to a value well over \$100,000,000. The building of homes, as shown by representative reports, is about equal to pre-war activity and in many cases greater. In several parts of the district the demand for homes cannot be met on account of the shortage of mechanics and the failure of transportation to supply materials. The demand for automobiles, trucks and accessories is in excess of the ability to secure deliveries. Canneries are running to the utmost limit of capacity, and a serious congestion is threatened in California on account of the early ripening of the crop of tomatoes which will be fully as large as that of last year.

The harvesting of grain, excepting corn and rice, is now practically completed throughout the district. The movement of the heavy crop of Washington and Oregon apples is well under way at prices which will yield the grower approximately \$2.25 per box as compared with \$2.00 for last year's crop. The gathering of the peach crop, nearing completion in California and Utah, is at its height in Washington and Idaho. Transportation facilities are insufficient to handle the unusually large crop of California grapes which are now moving at the rate of over 300 cars daily. Wine grapes, at record prices, are being shipped to Eastern points in greater quantities than ever before. An interesting development is the measure of relief thus afforded from heavy losses anticipated through the enactment of the prohibition law.

Favorable weather conditions, so essential to California's sun dried fruit, have prevailed generally although showers have caused a slight damage in some parts, and high temperatures are reported to have in-

jured the raisin crop. The estimated yield of 200,000 tons of raisins will be somewhat reduced, but last year's crop of 167,000 tons will be considerably exceeded. The Associated Raisin Company has set opening prices for this year's crop, which are calculated to yield the growers an average return of 10 cents on Muscats, 11½ cents on Thompsons and 11 cents on Sultanas, compared with 5½ cents, 6¾ cents and 6½ cents respectively for last year. Dried apricots are safely housed, peaches nearly so, while the drying of prunes, which are reported to be running somewhat smaller in size than anticipated, is now at its height. Although the prune crop will be the largest ever raised, later reports indicate that the yield will fall somewhat below the former estimate of 150,000 tons.

The almond crop of California, approximately 98 per cent of the country's production, sets a record both as to volume and price. Present estimates place the crop at 7,000 tons compared with 5,100 tons for 1918. Opening prices, set by the Association, are 23½ cents to 32½ cents per pound compared with 20 cents to 27½ cents for the previous crop. Likewise the walnut crop, approximately 95 per cent of the country's production, sets a record production in an estimated crop of 23,000-25,000 tons, compared with 20,000 tons for 1918. Opening prices will be set by the Association October 1.

Returns of \$75,600,000 to citrus growers for the year ended August 31 were the largest ever received by the industry in California. The total production for the State was 35,778 carloads of oranges and grapefruit, and 9,914 carloads of lemons. The crops of lemons and Valencia oranges were the largest ever shipped from the State; lemons showing an increase of 70.2 per cent over last year and 22.3 per cent over 1917, the largest preceding year, and Valencias showing an increase of 78 per cent over 1917, the last normal year.

The Pacific Rice Growers Association reports 140,050 acres planted to this year's crop of rice. The present condition is unusually good, and harvesting will be well under way by the last of September. The opening price, from present indications, will be close to 6 cents per pound for the new crop which is now estimated at 4,250,000 sacks of paddy rice.

Decreased acreage, due to the difficulty in marketing last year's crop, and unfavorable growing conditions have reduced the California bean crop by about 50 per cent, recent estimates placing the crop at 2,888,400 cwt. compared with 5,156,400 cwt. for 1918.

The Hawaiian sugar crop for 1919 is estimated at 600,000 tons compared with 576,842 tons for 1918. The Philippine crop, of which about 90 per cent of the centrifugal sugar is shipped to the United States, is estimated at 150,000 tons compared with 216,260 for 1918. No satisfactory estimates of the crop of sugar beets in the Twelfth District are yet available. Preliminary reports indicate a tonnage for California, Utah and Idaho of about 2,500,000, yielding perhaps 350,000 tons of sugar.

Scientists recently returned from an exhaustive investigation of the salmon fishing industry report that this invaluable species of fish is on the way to rapid extinction, and that the industry will require the most rigid Government regulation for its rehabilitation. Reliable estimates place this year's entire coast pack, including British Columbia, Siberia and Japan, at 5,500,000 cases compared with 10,100,000 cases in 1918.

A slackening of the demand for lumber is noted in the Northwest,

but California mills are operating to capacity to meet increasing demands. In Washington and Oregon the reports of an average of 127 mills show a production during the four weeks ended August 30 of 330,438,202 feet, which is below normal by 6½ per cent and above the previous four weeks' production by 7½ per cent. Orders accepted were below production by 27½ per cent and shipments below production by 9 per cent. This condition, together with a shortage of cars, will result in building up yard stocks, which had been reduced to about half of normal. On August 30 there was a balance of unshipped rail orders of 8,456 cars and of unshipped cargo orders of 103,564,372 feet.

Sixteen white and sugar pine mills in California report for July a production of 79,938,000 feet, an inventory of 273,345,000 feet and undelivered orders of 95,273,000 feet, while thirteen redwood mills report a production during August of 26,648,000 feet, shipments of 25,508,000 feet, and undelivered orders of 89,801,000 feet.

Mineral production in this district during 1918 showed a falling off of \$52,458,965 in the net value of five of the most important products, compared with 1917, as indicated by the following table, compiled from the report of the United States Geological Survey. Arizona continues to be the largest producer of copper in the country. Preliminary reports covering the first half of 1919 indicate a further decrease in production due to the lack of skilled laborers, strikes, the low prices of metals, and the high cost of labor and supplies.

METAL PRODUCTION
TWELFTH FEDERAL RESERVE DISTRICT
1917-1918

STATE		GOLD (Fine Ozs.)	SILVER (Fine Ozs.)	COPPER (Pounds)	LEAD (Pounds)	RECOVERABLE ZINC	
						(Pounds)	Total Value*
Arizona	1918	262,919.43	6,686,152	764,885,874	12,503,689	2,269,643	\$202,134,880
	1917	245,173.83	6,983,913	712,166,891	23,465,445	20,894,860	209,393,802
California	1918	797,732.10	1,427,711	47,331,769	13,372,057	5,561,393	31,064,747
	1917	971,732.71	1,775,431	48,153,139	21,868,628	10,872,716	37,685,985
Idaho	1918	33,998.72	9,172,340	6,533,888	294,695,993	45,161,712	36,552,158
	1917	38,932.64	12,029,338	7,827,574	393,559,521	79,854,136	54,845,153
Nevada	1918	320,239.45	10,000,599	116,316,441	23,316,534	16,724,753	48,528,124
	1917	336,664.26	11,269,969	122,794,704	27,677,928	22,307,868	54,424,580
Oregon	1918	61,459.13	107,323	2,451,016	10,601	.....	1,983,942
	1917	72,165.83	125,656	2,474,487	.....	.....	2,270,874
Utah	1918	142,666.10	13,455,597	227,169,630	167,008,224	18,399,417	86,047,597
	1917	162,305.67	13,479,133	246,674,153	178,521,958	21,286,871	99,328,155
Washington	1918	14,737.83	310,093	1,922,406	5,271,815	38,873	1,467,421
	1917	23,816.17	282,320	2,199,518	9,789,687	1,195,567	2,289,285
Totals	1918	1,633,752.76	41,159,815	1,166,611,024	516,178,913	88,155,791	\$407,778,869
	1917	1,850,791.11	45,945,760	1,142,290,466	654,883,167	156,412,018	460,237,834

* Computed on following values: Gold, \$20.6718 per ounce; silver, \$1.00 per ounce; copper, \$0.247 per pound; lead, \$0.071 per pound; zinc, \$0.091 per pound.

Range cattle and sheep have come through the summer in good condition, although feed was getting to be very short prior to recent rains in many parts of the district. As a result, lambs and calves have been shipped to market earlier than usual, and there has been a considerable movement of stock from summer ranges. Reports from all parts, however, indicate that there is sufficient hay to carry stock through the winter. Little change is noted in the condition of the market, which continues firm, but hogs have shown a falling off of about 5 cents per pound.

Activity in coast shipbuilding continues, although some yards are gradually reducing their forces. On July 1, fifty-eight firms reported

unfilled contracts for 543 vessels of various types. New contracts for five 11,400-ton steel vessels were recently awarded to a Los Angeles firm by the Emergency Fleet Corporation, and another Los Angeles firm reports negotiations about to be closed with a Boston firm for ten 10,000-ton steel vessels for coastwise trade.

Claiming that coast shipbuilding is menaced by an unjust discrimination in freight rates on steel in favor of Oriental builders, a Pacific Coast Shipbuilders' Traffic Association has been formed to aid in securing an adjustment of rates. The present transcontinental rate on steel from Atlantic coast producing centers to this coast is \$1.37½ per cwt., and from Pittsburgh \$1.20, compared with a corresponding rate of 60 cents on export steel and a total rate to Shanghai and Kobe of \$1.20.

The United States Shipping Board reports delivery during August of vessels of a total deadweight tonnage of 259,361 tons, as follows: Seattle—steel, 9, wood 9; Portland—steel, 5, wood 11; San Francisco—steel 7, wood 1.

Labor conditions at present have reached a nearly normal status. A shortage of skilled workers is quite general and the demand for unskilled laborers is somewhat in excess of the supply. Building trades craftsmen are striking in Seattle for higher wages and 1,500 men are reported out in Coeur d'Alene mines. The one disturbing factor during the month was the strike of union employees on the electric car lines centering at Los Angeles, which somewhat curtailed the service of these lines. This was followed by a sympathetic strike of steam railway employees, resulting in a tie-up of steam transportation in Southern California and Arizona for about ten days and for a few days affecting San Francisco and vicinity. While the resulting losses were serious, the situation was relieved by utilizing all available auto trucks. An early settlement of the strike averted important losses to the fresh fruit industry of California, as the movement of fruit both to market and to canneries was then at its height.

Business failures in the Twelfth District during August, as reported by Bradstreet's, numbered thirty, compared with fifty for the previous month, and ninety-one for August, 1918. Total liabilities involved were \$414,889, compared with \$561,106 for the previous month and \$600,745 for August, 1918.

Building permits in nineteen principal cities of the district during August amounted to \$11,543,000, an increase of 7.5 per cent over July and an increase of 105.06 per cent over the total for August, 1918.

Daily production of petroleum in California during August averaged 276,749 barrels, as compared with 280,313 during July. Stored stocks on August 31 amounted to 33,705,383 barrels, a decrease of 145,436 barrels for the month.

Interest rates remain unchanged, varying from 5½ to 6 per cent in industrial centers and averaging 8 per cent for agricultural loans.

Bank clearings in the twenty principal cities of the district during August were 0.96 per cent greater than for the previous month, and 29.47 per cent greater than for August, 1918. Increases over July, 1919, are shown by Spokane of 11.36 per cent, Portland 7.82 per cent, Seattle 5.39 per cent, while decreases are shown in Los Angeles of 5.76 per cent, Salt Lake 1.31 per cent, and San Francisco 0.62 per cent.

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OF SAN FRANCISCO

JUN 15 1927

JOHN PERRIN
CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

UNIVERSITY OF ILLINOIS

GENERAL BUSINESS AND AGRICULTURAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

October 15, 1919.

ACTIVE TRADE in large volume, labor disturbances, centralized to a large extent around San Francisco Bay, with full employment elsewhere, and harvesting and movement of crops have characterized the business and agricultural situation in the Twelfth Federal Reserve District during the past month.

Harvesting is practically completed, the following figures being indicative of the district acreage and production in 1919 as compared with that of 1918:

CROP—	PRODUCTION (bushels)		ACREAGE	
	1919*	1918	1919	1918
BARLEY	51,089,000	48,848,000	1,671,000	1,920,000
SPRING WHEAT	40,971,000	37,658,000	2,736,000	2,937,000
OATS	39,579,000	37,850,000	1,154,000	1,206,220
RICE	8,659,000	7,011,000	138,000	106,220
CORN	8,493,000	8,581,000	270,000	255,000
BEANS	4,399,000	8,880,000	415,000	592,000

* October 1st estimate.

Movement of wheat in the Pacific Northwest is as rapid as transportation facilities will permit, it being estimated that fully 60 per cent is now out of the growers' hands. Plowing and seeding of winter wheat is progressing satisfactorily in Oregon, but lack of favorable weather is retarding fall seeding in Western Washington and Northern Idaho. A large decrease in acreage is predicted in both districts. California produced nearly one-fifth and the Twelfth Federal Reserve District slightly more than one-fourth of the total barley production of the United States.

Arizona and California (including that part of the Imperial Valley situated in Mexico) have grown 176,000 bales of cotton during 1919, an increase of 53,000 bales over 1918. With indicated yields of 305 pounds and 333 pounds per acre respectively, these yields, which are the highest per acre in the United States, exceed the average by 147 and 175 pounds respectively.

With an average production of 66 bushels per acre, as compared with an average of 36.6 bushels for the eleven rice-growing states, California assumes second place in amount grown, its acreage having increased from 16,000 acres in 1914 to 138,000 in 1919.

The deciduous fruit crop of the district promises to be the largest on record. Commercial production of apples is estimated at 30,690,000 boxes as compared with 21,309,000 boxes in 1918. Recent wind storms in Washington may reduce this estimate by approximately 1,000,000 boxes. In spite of this, Washington retains the position of the largest commercial apple-growing state in the United States, with a crop of approximately 15,000,000 boxes. Estimates of the principal California deciduous fruit crops for 1919, with comparisons for 1918, are given below:

	1919	1918
APPLES (commercial production).....	3,900,000 boxes	2,870,000 boxes
PEACHES	435,000 tons	282,000 tons
PEARS (commercial production).....	*4,300,000 tons	3,740,000 tons
PRUNES	125,000 tons	45,000 tons
RAISINS	175,000 to 185,000 tons	167,000 tons
ORANGES	14,500,000 boxes	15,859,000 boxes

* 50 per cent of the commercial production of the United States.

Seasonal slackening in the demand for lumber is evident. An average of 125 mills in Washington and Oregon report for the five weeks' period ending October 4th a production of 414,101,943 feet, 5.37 per cent below normal. Orders accepted were 32.23 per cent and shipments 21.48 per cent below actual production. During the same period, thirteen California redwood mills report a cut of 30,733,000 feet, shipments of 29,102,000 feet and undelivered orders of 67,504,000 feet. Fifteen California white and sugar pine mills report production of 62,629,371 feet and shipments of 40,664,577 feet during August, with an inventory of 305,335,416 feet and unfilled orders of 105,598,251 feet on August 31st.

Deliveries of vessels by shipbuilding concerns on the Pacific Coast during September were as follows:

WOODEN VESSELS*

	Number	Tonnage
SEATTLE, WASH.	1	3,800
ANACORTES, WASH.	2	7,520
SOUTH BELLINGHAM, WASH.	1	3,300
OLYMPIA, WASH.	3	10,995
TACOMA, WASH.	1	3,665
Total.....	8	29,280

* All wooden vessels contracted for in Portland have been delivered.

STEEL VESSELS

In Course of Construction Oct. 1

	Number	Tonnage	Keels to be Laid	Total to be Delivered
SAN FRANCISCO BAY REGION.....	9	78,600	3	60
SEATTLE, WASH.....	7	65,400	3	26
TACOMA, WASH.....	4	30,000	3	11
PORTLAND, ORE.....	3	26,400	0	5
LOS ANGELES, CAL.....	3	26,400	1	28
VANCOUVER, WASH.....	0	.....	0	8
	<u>26</u>	<u>226,800</u>	<u>10</u>	<u>138</u>

Manufacturing and industrial activity has been retarded by unsettled labor conditions, the situation being most serious in the San Francisco Bay region. Here the riggers' and stevedores' strike continues; 55,000 workers in shipyards and allied industries have been on strike since October 1st; 2,000 tailors are striking for increased pay and shorter hours; a strike of taxicab drivers has been called and settled; approximately 1,500 employees of the San Francisco-Oakland Terminal Railways, after being out ten days, returned to work on October 11th, pending arbitration of the differences between the men and the company, a promised sympathetic strike of the electrical workers in the East Bay region failing to materialize as a result. Elsewhere throughout the district there is, at the moment, a minimum of labor trouble. The shipyard workers in Los Angeles, Seattle, Tacoma and Portland, having been granted the wage increase demanded, the strike assumed minor proportions in these localities. A threatened strike of street railway employees in Portland appears to have been averted and the strikes of importance in the Twelfth Federal Reserve District, elsewhere than in the San Francisco Bay region, are those of three to four thousand building trades employees in Seattle, Washington, and three to four thousand metal trades employees in Portland, Oregon, and Vancouver, Washington, and approximately fifteen hundred miners in the Coeur d'Alene, Idaho, district. A threatened strike in the logging camps of the Pacific Northwest has not as yet materialized. While most districts report full employment, indications are that the normal excess of unskilled labor during the winter months may shortly result in further labor disturbances.

Bank clearings in twenty principal cities in this district aggregated \$1,577,002,000 in September, 1919, an increase of 45.24 per cent over the corresponding month in 1918 and of 9.94 per cent over August, 1919. All reserve cities except Oakland showed an increase over August, the increase being as follows: Spokane 34.37 per cent, Portland 24.05 per cent, Ogden 21.15 per cent, Salt Lake City 13.63 per cent, Seattle 12.30 per cent, San Francisco 6.36 per cent, Los Angeles 5.11 per cent, Tacoma 3.94 per cent, the decrease in Oakland being 1.15 per cent.

Building permits in nineteen principal cities aggregated \$11,093,000, an increase of 113.8 per cent over September of 1918, but a decrease of 3.9 per cent over August, 1919.

Daily production of petroleum in California during September averaged 280,794 barrels as compared with 276,749 barrels during August. Stored stocks on September 30th aggregated 32,899,638 barrels, a decrease of 805,745 barrels for the month.

Interest rates remain unchanged, varying from 5½ to 6 per cent in industrial centers and averaging 8 per cent for agricultural loans.

**COMPARATIVE STATEMENT OF CONDITION OF NATIONAL BANKS
IN TWELFTH FEDERAL RESERVE DISTRICT**

(000 omitted)

RESOURCES	—SEPTEMBER 12, 1919—	—AUGUST 31, 1918—
Loans and discounts.....	\$812,315	\$663,188
Overdrafts	1,560	\$663,188
	\$813,875	
* Rediscounts	\$ 14,773	\$ 40,298
U. S. bonds and securities.....	227,214	
Liberty Loan bonds.....	1,110	286,615
Other bonds and securities.....	113,277	286,615
	341,601	
Banking house, furniture and fix- tures	\$ 30,379	\$ 26,814
Other real estate owned.....	6,397	6,180
	36,776	32,994
Cash and exchange.....	398,432	275,126
Other resources	40,327	11,876
Total	<u>\$1,631,011</u>	<u>\$1,269,799</u>
LIABILITIES		
Capital	\$ 96,599	\$ 92,313
Surplus	48,139	45,662
Profit and reserve accounts.....	29,586	22,390
	\$174,324	160,365
Due to banks.....	\$226,713	\$155,045
Deposits—U. S.....	37,971	35,057
Deposits—Demand	812,334	595,470
Deposits—Time	232,386	187,509
	1,309,404	973,081
Bonds and securities borrowed..	\$ 7,043	\$ 2,163
Bills payable	47,280	42,068
	54,323	44,231
* Rediscounts	\$ 14,773	\$ 40,298
Circulation	63,147	61,244
Other liabilities	29,813	30,878
Total	<u>\$1,631,011</u>	<u>\$1,269,799</u>

* Not included in total.

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JUN 15 1927
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AND FEDERAL RESERVE AGENT

GENERAL BUSINESS AND AGRICULTURAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

November 15, 1919.

READJUSTMENT to a peace basis has progressed rapidly in the Twelfth Federal Reserve District in the year following the signing of the Armistice. Lumbering, shipbuilding, and mining are among those industries in this district which were most directly affected by the war stimulus.

All surplus stocks of lumber cut on Government orders have been absorbed. Mill stocks are 30 per cent below normal, and sales are 20 per cent in excess of those of a year ago. Volume of buying declined in September of this year, but there followed a strong demand for both domestic and foreign consumption, which, in spite of the fact that there is normally a seasonal decline, has steadily increased during October and the early part of November, with prospects of continuing increase in demand throughout the winter. Demand is so great as to practically prevent replenishment of depleted mill stocks, and a number of mills are now refusing to accept new orders. During the four weeks ending November 1st, an average of 122 mills in the Pacific Northwest reported production of 330,577,140 feet—4.28 per cent below normal, as compared with 7.83 per cent below normal during the corresponding period in 1918 and 5.37 per cent below normal during the preceding four weeks. Orders accepted were 26.29 per cent, and shipments 18.65 per cent below actual production, as compared with 32.23 per cent and 21.48 per cent, respectively, during the preceding four weeks. An average of 14 California redwood mills reported a cut of 30,553,000 feet, shipments of 22,816,000 feet, and orders received of 30,586,000 feet during the same period. In September, 15 California white pine and sugar pine mills produced 71,715,353 feet, shipped 33,566,729 feet, and had unfilled orders for 90,394,623 feet on September 30th.

Increased building activity is responsible for a considerable portion of the increased demand for lumber. Building permits, instead of showing the usual seasonal decline, have steadily increased during the

fall months, 19 principal cities reporting permits aggregating \$12,116,000 in October, 1919, as compared with \$3,131,000 in October, 1918, and \$11,093,000 in September, 1919. With few exceptions, the cities of the district report that building of homes and apartment houses is responsible for 60 to 70 per cent of the permits (by value).

Slower progress in the transition from a war status has been made by the steel shipbuilding industry. Most of the wooden shipbuilding yards have now been closed, their materials sold, and labor employed absorbed by other industries. Since the first of October the steel shipbuilding situation has been complicated by strikes for increased wages in the face of cancellation of orders, decreased production, and no immediate prospect of new contracts. All of the yards in the San Francisco Bay region have been closed since the calling of the strike October 1st. It is now reported, however, that they will reopen shortly, provided a sufficient number of employees signify by November 19th their willingness to return to work. When operation is resumed it will be with greatly curtailed forces, some yards planning to run with half the number previously employed. The yards in Los Angeles have resumed on an "open shop" basis, with a material reduction in number of men and with an excess of applications for employment. The yards in the Pacific Northwest are materially reducing their forces. In Portland it is reported that the yards building wooden ships are employing 350 men, as compared with a maximum during the war of 16,700, and those building steel ships 4,000, as compared with a maximum of 21,000; the Seattle yards 23,200, compared with a maximum of 35,500. Those now employed in Seattle will be laid off at the rate of 3,000 or more per month until March 1st, when all but four of the ships under contract will have been completed.

In spite of the large number of men released from shipbuilding, practically all have been absorbed by other industries. Portland reports 2,000 unemployed, 700 of whom are ex-soldiers; Spokane 900, with the labor situation "undoubtedly more satisfactory than for many months"; Salt Lake, practically no unemployed, with the exception of a few strikers, and Los Angeles, no unemployed, with a shortage of skilled laborers. Accurate figures for San Francisco are not obtainable because of the large number of strikers, many of whom are attempting to obtain temporary employment in other lines pending settlement of strikes. The only coastwise strike is that of the journeymen tailors. No agreement has been reached and the employing tailors now report that they have resumed on an "open shop" basis.

The steel and coal strikes apparently have had no important effect upon labor conditions in this district, and there are at the moment few labor difficulties other than those in and around San Francisco

and Seattle. In San Francisco no new strikes have been called, and it is anticipated that adjustment of the shipyard strikes may be reached in the near future, although no strikes have been settled during the past month. Seattle is faced with increased unemployment and attempts of the radical element to control labor.

The stimulus of high prices, which increased mining output during the war, has now been offset by declining prices for minerals, accompanied by increasing price of materials and high cost of labor. As a consequence all states producing copper, lead, and zinc report decreased production in 1919, the reduction in some cases reaching 50 per cent, while only Nevada and Alaska predict that the gold output will equal that of 1918. Labor released from mining has either migrated or has been absorbed in other industries.

Domestic commerce continues active, with a large turnover of goods and a minimum number of failures. Retail trade was approximately 15 to 20 per cent greater in value in October than in September, and 80 per cent greater in October, 1919, than in October, 1918. Business failures in October, 1919, as compared with October, 1918, are reported by Bradstreet's as follows:

STATE	OCTOBER, 1919			OCTOBER, 1918		
	Number of Failures	Assets	Liabilities	Number of Failures	Assets	Liabilities
ARIZONA	2	\$1,150	\$4,250	4	\$55,500	\$71,000
CALIFORNIA	33	239,277	390,057	33	111,801	353,094
IDAHO	3	5,700	9,500	1	1,000	2,000
NEVADA	1	750	3,753	2	1,762	7,102
OREGON	5	10,100	17,900	12	185,890	291,840
UTAH	1	4,000	11,000	1	20	6,500
WASHINGTON	9	38,863	83,179	9	26,540	50,601
TOTAL.....	54	\$299,840	\$519,639	62	\$382,513	\$782,137

An increase in exports of \$65,000,000, offset by a decrease in imports of \$105,000,000, resulted in a net decrease of \$40,000,000 in foreign trade at Pacific ports during the first nine months of 1919. Lack of tonnage is largely responsible for this decrease. Detailed figures for the various customs districts on the Pacific Coast are as follows:

DISTRICT	IMPORTS		EXPORTS		TOTAL	
	1919 (000 Omitted)	1918	1919 (000 Omitted)	1918	1919 (000 Omitted)	1918
SAN FRANCISCO..	\$176,281	\$199,036	\$175,138	\$159,004	\$351,419	\$358,040
LOS ANGELES ...	7,035	5,502	10,013	6,073	17,048	11,575
OREGON	1,845	2,402	33,160	8,044	35,005	10,446
WASHINGTON ..	154,825	237,933	240,826	220,961	395,651	458,894
TOTAL.....	\$339,986	\$444,873	\$459,137	\$394,082	\$799,123	\$838,955



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Bank clearings in the 24 principal cities \$1,736,421,000 in October, 1919, an increase of 30.47 per cent over October, 1918, and 9.18 per cent over September, 1919. In the Reserve cities increases over September were as follows: Salt Lake City, 14.6 per cent; San Francisco, 10.9 per cent; Los Angeles, 10.8 per cent; Spokane, 10.6 per cent; Oakland, 7.7 per cent; Portland, 5.9 per cent; Tacoma, 1.6 per cent. Decreases were as follows: Seattle, 2.3 per cent, and Ogden, 0.8 per cent.

Interest rates remain unchanged, varying from $5\frac{1}{2}$ to 6 per cent in industrial centers and averaging 8 per cent for loans in agricultural sections.

Winter wheat is now being sown in the Pacific Northwest, estimates indicating that with a continuation of favorable weather conditions fall-sown acreage will materially exceed that of 1918.

California citrus fruits are moving to market. The 1919-20 crop is estimated at 80 to 90 per cent of that of 1918-19, the crop of navel oranges being approximately 85 to 90 per cent, and that of Valencia oranges 80 to 85 per cent of that of the previous year.

The largest citrus and deciduous fruit season in the state of California has just been completed. Shipments for the year ending October 31, 1919, were as follows:

ORANGES	39,307	carloads
GRAPES	17,575	"
LEMONS	10,023	"
PEARS	4,209	"
PLUMS	2,918	"
PEACHES	2,773	"
APRICOTS	419	"
CHERRIES	335	"
TOTAL.....	77,559	"

The California walnut crop, now being shipped, is estimated at 25,000 tons, valued at \$15,000,000, which compares with a 1918 crop of 16,500 tons, valued at \$11,500,000.

Daily production of petroleum in California during October averaged 277,589 barrels, as compared with 280,794 barrels during September. Stored stocks decreased 882,601 barrels during the month, aggregating 32,017,037 barrels on October 30th.